



**THE RELATIONSHIP BETWEEN MACROECONOMICS VARIABLES  
TOWARDS MALAYSIAN STOCK MARKET**

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**BACHELOR OF BUSINESS ADMINISTRATION**

**WITH HONOURS (FINANCE)**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITY TEKNOLOGI MARA**

**KAMPUS BANDARAYA MELAKA**

**JULY 2018**

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**Submitted in Partial Fulfillment of the  
Requirement for the  
Bachelor of Business Administration with Honours (Finance)**

**FACULTY OF BUSINESS ADMINISTRATION  
UNIVERSITY TEKNOLOGI MARA  
KAMPUS BANDARAYA MELAKA**

**JULY 2018**

## **DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION  
WITH HONOURS FINANCE  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITY TEKNOLOGI MARA  
KAMPUS BANDARAYA MELAKA**

I, NURUL ASHIQIN BINTI MOHD HATTA,

(I/C NUMBER: 950906-05-5008)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any others degrees.
- This project paper is the result of my independent work and investigations, except where otherwise stated.
- All verbalism extract have been distinguished by quotation and sources of my information have been specifically acknowledge.

Signature:.....

Date:.....

## **LETTER OF SUBMISSION**

July 2018

Puan Zarinah Binti Abu Yazid

Bachelor of Business Administration (Hons) Finance

Faculty of Business Management

Universiti Teknologi Mara

75300 Melaka

Dear Madam,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled “The Relationship between Macroeconomic Variables towards Stock Market in Malaysia” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi Mara.

Thank you.

Yours sincerely,

NURUL ASHIQIN BINTI MOHD HATTA

2015136729

Bachelor of Business Administration (Hons) Finance.

## **ABSTRACT**

The aim of this study is to investigate the relationship between macroeconomic variables which consist of exchange rate, interest rate and money supply towards the stock market in Malaysia represent by FTSE Bursa Malaysia KLCI Index. The study used Multiple Linear Regression in order to find the relationship among independent variables and dependent variable. The data is collected from year 2010 until 2017 and conduct in quarterly basis. From the result, it reveals that exchange rate has a negative significant relationship towards stock market (FTSE Bursa Malaysia KLCI). While interest rate is insignificant and money supply have a positive significant relationship towards (FTSE Bursa Malaysia KLCI). These results give additional understanding of the relationship between the macroeconomic variables and FTSE Bursa Malaysia KLCI and should be useful for regulator, investor and speculator.